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ABSTRACT

Policymakers are considering ways of providing more opportunities for students and their parents to exercise choice in public education. This report provides background information on current public school choice programs and proposals, and an analysis of selected issues related to this topic. The first part of the paper presents background information describing selected examples of current public school choice programs, reviewing the calls for greater choice in public schools that have appeared in recent education reform reports and that have been made by the Bush Administration, and delineating how current Federal programs support choice. The next part presents an analysis of issues related to providing greater choice opportunities in public schools discussed under the following headings: (1) effects of choice programs; (2) implementation issues; and (3) the context of school choice. The final part offers a brief synthesis of the findings and considers possible alternatives to the choice programs currently under debate. (SI)

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CRS Report for Congress

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Public School Choice: Recent Developments and Analysis of Issues

Wayne Riddle
Specialist in Education Finance
and
James B. Stedman
Specialist in Social Legislation
Education and Public Welfare

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PUBLIC SCHOOL CHOICE: RECENT DEVELOPMENTS AND ANALYSIS OF ISSUES

SUMMARY

Limited choices among educational programs or schools have long been available to many elementary and secondary school pupils and their parents. Recently, action has been taken in a few States, and several school districts, to establish more comprehensive systems of public school choice. Proponents of public school choice programs argue that they will force schools to improve their performance as a result of competition, will lead to better matches between pupil needs and school offerings, will increase parental involvement, and will offer a low cost means of energizing and empowering pupils, teachers, and administrators to increase educational achievement. In contrast, critics of public school choice programs argue that they are inequitable in a variety of respects, entail substantial administrative and transportation costs, and distract attention from the need for additional funds and parental involvement in all schools.

Among the best known school choice programs is that in Minnesota, where by 1990-91 elementary and secondary pupils may choose among all public schools in the State. Pupils in New York City's Harlem Community School District No. 4 may choose from a wide variety of elementary and junior schools. Magnet school programs to foster school desegregation have been expanded to include all schools in Cambridge, Mass., and Seattle, Washington. Federal aid is currently provided to magnet schools, and has been proposed by the Bush Administration for all types of school choice programs.

A number of issues have been debated regarding the effects of public school choice. Among these issues are:

- Does the provision of school choice increase, or reduce, segregation of pupils by race or socioeconomic status?
- Are parents sufficiently well informed to make "good" school choices?
- Is it appropriate to apply the concepts of choice and competition, based on "free market" economics, to public education?
- Do school choice programs raise pupils' achievement levels?
- Does school choice provide positive, or negative, incentives for teachers and administrators?
- Does school choice give all parents influence over their child's education that is now available only to the affluent?
- Does school choice strengthen, or hinder, parental involvement in education?
- Is school choice a key element in restructuring schools to implement a "second wave" of school reform, or does it primarily hinder effective planning and management of the schools, while increasing costs?

Alternatives to school choice for improving pupil achievement and restructuring schools may be considered. Increased accountability could provide better information on school performance, and incentives to resolve deficiencies. More comprehensive parental involvement could also make school systems more responsive and effective.

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PUBLIC SCHOOL CHOICE: RECENT DEVELOPMENTS AND ANALYSIS OF ISSUES

INTRODUCTION

Policymakers at all levels are considering ways of providing more opportunity for students and their parents to exercise choice in public elementary and secondary education. The debate over public school choice is raising many issues, ranging from its effect on student achievement to its cost implications. This report provides background information on current public school choice programs and proposals, and an analysis of selected issues related to this topic. Except where explicitly stated otherwise, only public school choice concepts are considered in this report, not any program or proposal involving private schools.[1]

Certain limited forms of choice among alternative educational services have long been available to many elementary and secondary school pupils and their parents. If they have sufficient financial means, families may choose to send their children to private schools, or they may move to a different public school attendance area[2] or district. Even within their "neighborhood" public school, they may choose among a variety of courses and tracks--college preparatory, vocational, or general--at the secondary level. If dissatisfied with their child's current public school or teacher, families can generally apply for

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[1]Given the many constitutional limitations on public support of private schools, and the negative congressional response to Reagan Administration proposals for vouchers for the education of disadvantaged children and tuition tax credits, as well as other factors, current debate over school choice has been focused generally on public schools only. (For a discussion of these earlier proposals. U.S. Library of Congress. Congressional Research Service. *Vouchers for the Education of Disadvantaged Children: Analysis of the Reagan Administration Proposal*, CRS Report for Congress No. 85-985 EPW, by Wayne Riddle. Washington, 1989. U.S. Library of Congress. Congressional Research Service. *Tuition Tax Credits*, Issue Brief No. IB81075 by Bob Lyke, July 1986 (continually updated). Washington, 1986. Further, with very few exceptions, existing elementary and secondary school choice programs in the United States involve only public schools. (The postsecondary options programs of Minnesota and certain other States, which are described below, generally allow high school juniors and seniors to attend public and private colleges, part or full time, at public expense. Minnesota and Washington provide limited public funds to programs for school dropouts and potential dropouts at certain nonsectarian, private schools. Finally, some Vermont school districts that do not operate public high schools allow students to attend selected nonsectarian, private high schools at public expense.)

[2]A school attendance area is a geographic zone in a school district, within which public school pupils of the same grade level normally attend a particular school.

an "educational transfer", which their school district may grant at its discretion, although such opportunities may often be unpublicized or inconsistently administered. It might even be said that pupils above their State's compulsory attendance age have the "choice" of dropping out of school. In some local educational agencies (LEAs), it is possible for a limited number of nonresident pupils to attend school, although tuition is typically charged.

Some forms of choice among educational programs or schools have long been available to many pupils and parents.

At issue in the current debate are programs intended to provide broader and more explicit opportunities for choice. These include "alternative" schools, "magnet" schools, districtwide choice programs, and interdistrict or statewide choice programs. A substantial proportion of LEAs offer one or more alternative schools at specific grade levels. Although some of these schools are quite old--such as the Boston Latin School--many of them were developed during and after the 1960s. These schools offer distinctive educational programs--e.g., specialization in the arts, science, or vocational education--to meet the special educational interests or needs of the students who choose to attend them.

Since the early 1970s, magnet schools--a specific type of alternative school that is intended to attract a variety of students of different racial or ethnic groups from throughout the district--have been established in several LEAs, primarily as a method to stimulate voluntary desegregation of their pupils. These schools also offer distinctive educational programs, but with a special emphasis on features that will attract a balanced mix of students from different racial backgrounds, as well as encouraging families to transfer their children from private to public schools.

More recently, action has been taken in a few States, and several LEAs, to establish more comprehensive systems of public school choice. A great deal of attention has been attracted to these efforts, which combine aspects of the previous developments of alternative and magnet schools with newer themes derived from a number of education reform proposals that have been the focus of educational policy analysis in the 1980s.

Recently, some States and LEAs have considered or established more comprehensive systems of public school choice.

The analysis that follows draws extensively from the available information and research on the various kinds of choice schools and programs just described. Although these schools and programs differ with regard to

structure and objectives, they have much to tell us about implementing choice in public school systems.

Studying an array of different efforts is also appropriate because there is **no consensus model of choice and no single set of objectives.** Current proponents of public school choice reflect a diverse mixture of political and educational positions, and have been advocating various kinds of choice programs. Some proponents hold objectives that are closely related, while others have contradictory objectives. Two of these objectives are generally held by all proponents--improved academic achievement by students, and increased parental involvement in education. Other goals are sought by different proponents to varying degrees. Among these other goals are fostering competition among public schools; enhancing the opportunity for school desegregation; supporting efforts to grant administrators and teachers more responsibility at individual schools; increasing economic equality; and laying the groundwork for providing greater public assistance to private schools.[3]

The following part of the paper presents background information describing selected examples of current public school choice programs, reviewing the calls for greater choice in public schools that have appeared in recent education reform reports and that have been made by the Bush Administration, and delineating how current Federal programs support choice. The next part presents an analysis of issues related to providing greater choice opportunities in public schools. These issues are grouped under the categories of the impact of choice, the implementation of choice, and the context for debating choice. The final part offers a brief synthesis of the findings and considers possible alternatives to the choice programs currently under debate.

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[3]These various objectives are delineated in much of the literature on public school choice, including the following reports and articles: Snider, William. *The Call for Choice: Competition in the Educational Marketplace*, special report. Education Week, June 24, 1987; National Governors' Association. *Time for Results: The Governors' 1991 Report on Education*, Aug. 1986; Nathan, Joe. *Results and Future Prospects of State Efforts to Increase Choice Among Schools*. Phi Delta Kappan, June 1987; Esposito, Frank J. *Public School Choice: National Trends and Initiatives*, New Jersey State Department of Education, Dec. 1988; Elmore, Richard F. *Choice in Public Education*, Center for Policy Research in Education, Dec. 1986.

BACKGROUND

This part provides an overview of selected examples of current public school choice programs, the role that choice has played in educational reform proposals and initiatives being advanced from the White House, and the ways that Federal education programs presently support choice. The variety of current and proposed public school choice programs is extensive. Certain of the best known current choice programs are described below. While these are varied, they may be summarized in the four general categories listed in table 1. Selected examples of programs in each category are contained in the table, and some of these examples are described further below.

TABLE 1: General Types of Current and Proposed School Choice Programs

1. Choices limited to a *small number of schools within an LEA* (example: magnet schools, alternative schools)

2. *LEA-wide* choices

a. limited grade levels (example: Harlem District no. 4, New York City)

b. all grade levels (examples: controlled choice programs in Seattle, Wash., and Cambridge, Mass.; Montclair, N.J., Irvine, Cal.)

3. *Statewide* choices

a. limited number of schools, subjects or grade levels (State schools in science and mathematics, etc.; postsecondary options in Minn., Ariz., and Me.; "second chance" schools for dropouts in Ore. and Cal.; Cal. program for enrollment in parent's employment LEA)

b. all schools and grade levels (Minn. program when fully implemented, Mass. State school board proposal)

4. Choice that *also* involves *nonreligious private* schools (high schools in certain Vt. LEAs, Minn. program for at-risk youth, proposed programs for at-risk youth in Minn. and Wis., Wash. educational "clinics" for dropouts)

CURRENT PUBLIC SCHOOL CHOICE PROGRAMS

Minnesota Programs

Among the broadest public school choice programs in the United States currently are those that have been adopted in the State of Minnesota. Minnesota initially established a limited program under which high school juniors and seniors could attend public or private colleges for a part or all of their educational program. When students choose this option, a proportional share of State revenues provided on their behalf is transferred from their local school district to the college. This "postsecondary options" program was first implemented in 1985-86, and had an estimated 4,000 participants in 1987-88. The stated

purpose of this program is to increase the range of courses available to students in their last 2 years of high school, either directly through attendance at a postsecondary institution, or indirectly through encouraging school districts to expand their course offerings in order to avoid losing student enrollments. It has been reported that some Minnesota LEAs have increased the number of foreign language and other "advanced" courses they offer in response to the threat of losing students through the postsecondary options program.[4] Apparently, this program has thus far been most beneficial to relatively successful and academically ambitious senior high school students.

Beginning partially in 1987-88, with full implementation scheduled for 1990-91, the families of all elementary and secondary pupils in Minnesota may choose to send their pupils to any public school in the State providing education at their grade level. This comprehensive School District Enrollment Options program initially involved only LEAs that chose to participate, and currently involves LEAs with enrollment of 1,000 or more pupils, but will be mandatory for all LEAs when fully implemented. The only major limitations on statewide open enrollment of pupils are that transfers may be refused where they would increase racial imbalances in LEAs under court order to desegregate their schools[5], or where schools are filled to capacity (as determined by the LEA). When pupils transfer to schools in an LEA other than the one in which they reside, they must provide their own transportation to the border of the LEA to which they transfer; free transportation is provided within the receiving LEA.[6] Since Minnesota's statewide school choice program has only begun to be implemented, significant information on the program's effects is not yet available.

By 1990-91, all elementary and secondary pupils in Minnesota may choose any public school in the State.

The Minnesota legislature has in recent years also considered, but not adopted, proposals for broader school choice programs that include certain private schools. In January of 1989, the State's governor proposed a new program under which school dropouts, and those deemed to be at risk of dropping out, could attend private schools, that are not religiously affiliated,

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[4]See *Perpich: An 'Out-Front' Message in New Interstate Leadership Job.* Education Week, Oct. 19, 1988.

[5]This constraint currently applies to the LEAs of Duluth, Minneapolis, and St. Paul.

[6]Some assistance to meet transportation expenses is provided to pupils from poor families.

at public expense.[7] Minnesota has for many years provided State income tax deductions for education expenses at private and public schools.[8]

Magnet Schools and Controlled Choice Programs

Proponents of the current effort to adopt parental choice in public schools often cite the use of choice in school desegregation plans across the country. This section provides a brief overview of those plans, focusing on magnet schools and controlled choice plans.

Parental choice has been an element of school desegregation plans for more than three decades. As will be discussed in further detail in a later section, choice was initially employed by segregated school systems to comply with the U.S. Constitution without undergoing any meaningful desegregation.[9]

In a more positive development, during the 1970s, school systems, often under the direction of Federal and State courts and agencies, added magnet schools and programs to their desegregation plans. Magnet schools proved popular among school systems for a variety of reasons, including their high level of support from the general public and their role in some cases as an alternative to mandatory desegregation techniques. By the early 1980s, there were some 1200 magnet schools located in 140 urban school districts.[10] These schools and programs seek to achieve desegregated student enrollment by offering distinctive educational content or structure that voluntarily draws a racially and ethnically heterogenous student enrollment.

Magnet schools are intended to desegregate by attracting voluntary enrollment by a mix of students.

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[7]Education Week, Jan. 11, 1989, p. 1. Limited public funds may already be used for such purposes in Minnesota, but only if the private school has a contract with an LEA under the State's High School Graduation Incentives Program for school dropouts and those deemed to be at risk of dropping out.

[8]In its 1983 decision in the case of Mueller v. Allen, the Supreme Court decided that the Minnesota State income tax deduction for educational expenses does not violate the Constitution.

[9]See Green v. New Kent County, 391 U.S. 430 (1968) in which the Supreme Court struck down such a freedom of choice plan. This case is discussed briefly in a subsequent section.

[10]Blank, Rolf K., and Paul R. Messier, eds. *Planning and Developing Magnet Schools: Experiences and Observations*. Prepared for the U.S. Department of Education's Office of Educational Research and Improvement, 1987.

Magnet Schools

Magnet schools and programs across the country fit no single mold.[11] Entire schools may be converted into magnets or magnet programs may be established within schools. Existing magnets offer a wide range of variation in structure (e.g., open classroom magnets), pedagogical approach (e.g., Montessori magnets), curricular focus (e.g., math and science magnets), and location (e.g., magnets located near parents' places of employment). As will be discussed later in detail, many magnets impose specific admissions requirements. Magnets may serve entire school systems or specific attendance zones within those systems.

Magnet schools are typically one of several desegregation tools utilized in individual school districts. They are often added to ameliorate the flight of white families from the public schools in response to mandatory aspects of desegregation plans.[12] In some places, such as San Diego, California, or Montclair, New Jersey, desegregation plans employ magnet schools and programs as the primary, or exclusive, means of desegregating student enrollment.

The Federal Government has helped to finance the development of magnet schools for desegregation. Funding was provided beginning in fiscal year (FY) 1977 under the Emergency School Aid Act (ESAA). Two years after ESAA's repeal effective in FY 1982, the Congress enacted the Magnet Schools Assistance program (MSA) to reestablish Federal financial assistance for this desegregation technique. The MSA program is described in a subsequent section.

Controlled Choice

During the 1980s, the magnet-related approach to school desegregation evolved in some school systems into what is being labelled as **controlled choice**. Controlled choice plans are frequently cited by public school choice advocates as evidence that choice can have a

Some magnet school programs have evolved into controlled choice systems.

[11]U.S. Library of Congress. Congressional Research Service. *Magnet Schools: Federal Assistance and Findings from National Studies*. CRS Report for Congress No. 85-1065 EPW, by James B. Stedman, Dec. 4, 1985. Washington, 1985. Blank, Rolf K., et al. *Survey of Magnet Schools: Analyzing a Model for Quality Integrated Education, Final Report*. James H. Lowry and Associates, prepared under contract with the U.S. Department of Education, subcontracted to Abt Associates, Sept. 1983.

[12]See, for example, Rossell, Christine H. *What Is Attractive About Magnet Schools?* Urban Education, Apr. 1985.

positive role in furthering school desegregation as well as raising academic achievement for all students, regardless of race.

In school districts implementing effective controlled choice the following characteristics apply: individual school attendance boundaries are eliminated; access to individual schools is controlled so that appropriate racial and ethnic proportions are achieved; students and parents are required to provide the school system with a series of preferred school choices in rank order (although there is no guarantee of receiving one's first choice, most should); all parents and students are informed about the choice process and their choices; and ultimate assignments are recognized by all involved as "honest" and unbiased within the parameters of the system.[13]

Among the school systems reportedly implementing or seriously considering implementation of controlled choice are a number of cities in Massachusetts--Boston, Cambridge, Fall River, and Lowell; Seattle, Washington; and Montclair, New Jersey.[14]

The plan being implemented in Cambridge, Massachusetts has attracted attention in particular because it helped originate the concept of controlled choice and the desegregative and academic outcomes of the plan reportedly are substantial. The remainder of this section provides a brief overview of the Cambridge controlled choice plan.[15]

Cambridge has sought to desegregate its schools for some 2 decades, employing such techniques as school closings, redistricting of attendance zones, pairings of schools (linking majority and minority schools), and magnet schools and programs. In 1981, the district began its controlled choice effort and, by 1982, this constituted the district's sole desegregative technique. At the time it implemented the controlled choice plan, Cambridge was reportedly among

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[13] Alves, Michael J., and Charles V. Willie. *Controlled Choice Assignments: A New and More Effective Approach to School Desegregation*. Urban Review, v. 19, no. 2, 1987.

[14] It would appear that controlled choice has come into vogue. Other school systems may be adopting the name and only some of the controlled choice elements. Whether these plans should be considered controlled choice is an issue. In addition, one should question whether the desegregation or academic outcomes of those systems should be considered consequences of controlled choice.

[15] The discussion that follows is drawn primarily from Rossell, Christine H., and Charles L. Glenn. *The Cambridge Controlled Choice Plan*. Urban Review, v. 20, no. 2, 1988; Alves and Willie, *Controlled Choice Assignments*. Cambridge, Massachusetts, according to Rossell and Glenn, enrolled 7,687 students in 1986-87. The results of the system's plan are considered in subsequent sections on academic achievement and desegregation.

the Nation's most desegregated districts. Controlled choice was instituted largely to maintain a high degree of desegregation and curb white flight.

Under controlled choice, the 13 K-8 schools serving all of the district's elementary and early secondary school students have no attendance zones; rather, they draw from the district as a whole. During the preceding school year, parents of currently enrolled students and those who will be entering kindergarten in the fall, make up to four choices, in rank order, of the district's schools in which they prefer their children to be enrolled. Choices are honored depending upon the availability of space and their impact on racial balance. Each school in Cambridge must reflect the systemwide majority to minority balance within five percentage points. Lotteries are held to assign students to over-subscribed programs. In the event none of the choices can be honored, students are mandatorily assigned to a school. During the 1982-86 period, 73 percent of all pupils new to the school system enrolled in their first choice school; and 18 percent enrolled in their second or third choices. Nine percent received a mandatory assignment. In 1986, 58 percent of all Cambridge students enrolled in schools other than the one that would have been their neighborhood school.

Informing parents of their roles is a major element of the plan. A Parent Information Center, housed in one of the K-8 schools, and parent liaisons assigned to each school disseminate information and provide outreach to parents in the community to inform them of the steps they must take in this controlled choice plan.

New York City's Harlem Community District No. 4[16]

While all of New York City is a single LEA, the city is divided into 32 community school districts for a variety of administrative purposes. In particular, the community districts have primary responsibility for elementary and junior high schools. Since 1973, community district no. 4 has offered open enrollment to all of its junior high school students, and maintained a number of elementary schools open to students from throughout the district. Community district no. 4 is a relatively low income area, with high proportions of pupils from ethnic minority families--60 percent of the pupils enrolled in its schools are Hispanic, 35 percent are Black, and 5 percent are white.

In community district no. 4, no junior high school student is automatically assigned to a school based on his or her residence; rather, all students and their families must actively choose among several alternative schools. In many cases, the alternatives take the form of separate units within the same building, leading to a substantial reduction in average "school" size. The junior high schools provide specialized instruction in such areas as the performing arts, mathematics and science, environmental sciences, writing, career awareness, and sports. Students are initially assigned to neighborhood elementary schools, but may choose from several alternative schools at this level as well. Within space limitations, students from other community districts in New York City may also attend these schools; in 1985-86, approximately 25 percent of the district's junior high, and 11 percent of its elementary, pupils resided outside the community district.

In community district no. 4, junior high school students must actively choose among alternative schools.

Other Current Programs and Proposals

School choice programs have been adopted, and proposals considered, in a number of States and LEAs in addition to those discussed above. Some of the recent developments in this rapidly developing field include the following.

- Programs similar to Minnesota's postsecondary options program, under which high school students may take courses at colleges, with their proportional share of State aid transferred from their LEA to the college, have been adopted in Arizona, Colorado, and Maine.

[16]Much of the information in this section was derived from Kutner, Mark A. and Laura H. Salganik. *Educational Choice in New York District 4.* Pelavin Associates, Inc.,no date.

- The Arkansas and Iowa legislatures have recently adopted, and the Massachusetts State board of education has proposed, statewide school choice programs, similar in general respects to that in Minnesota.[17]

- The Governor of Wisconsin has proposed a school choice program limited to LEAs in the State that choose to participate, coupled with a proposal for State grants for kindergarten through grade 6 pupils from poor families in Milwaukee to attend any public or nonreligious private school in Milwaukee county.[18]

- A recently adopted California statute allows transfer of pupils from the LEA of their residence to the LEA in which their parents are employed, if neither LEA objects on the basis that the transfer would increase racial imbalance.

- The State of Washington provides aid to public and private "educational clinics" for actual or potential school dropouts, while "second chance" public school choices are offered to such pupils in California and Oregon.

- Statewide or regional high schools specializing in such subjects as science and mathematics, or the performing arts, have been established in Alabama, Illinois, Louisiana, Michigan, North Carolina, and Virginia.

- Several Vermont LEAs that do not operate public high schools give their students the choice of attending certain nonsectarian, private high schools or public high schools in neighboring LEAs.

- A districtwide school choice program has been implemented in Irvine, California.

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[17]In 1988, the Massachusetts legislature passed a bill that would have allowed pupils in Boston and Worcester to attend public schools in neighboring LEAs. However, this bill was vetoed by the governor.

[18]See *Wisconsin Governor Again Seeks Choice, Both for Milwaukee and Across the State*. Education Week, Feb. 1, 1989, p. 10.

PROPOSALS REGARDING PUBLIC SCHOOL CHOICE IN RECENT EDUCATION "REFORM" REPORTS AND BY THE BUSH ADMINISTRATION

A number of recent reports on the condition of American elementary and secondary education have concluded with recommendations for the adoption, or at least consideration, of broad school choice programs. The national organization that has perhaps most frequently promoted the concept of school choice in recent years has been the National Governors' Association (NGA). In such reports on education reform as *Time for Results*, and *Results in Education: 1988*, the NGA has focused on "parent involvement and choice" as one of seven major emphases for educational improvement. The Association has supported both Statewide public school choice programs for all elementary and secondary pupils, and college course enrollment programs for high school juniors and seniors. It has argued that school choice programs should be comprehensive, because limited, selective programs have the negative effect of "creaming" the best students into a few schools. According to the NGA, school choice programs can improve parent involvement in the schools, make quality education available to all pupils, provide competition to stimulate better school performance, help keep "at risk" pupils in school, aid school desegregation, and provide educational programs to match pupils' varied learning styles.

The National Governors' Association has advocated "parent involvement and choice" as a basis for educational improvement.

Other recent education reform reports have advocated public school choice, although in less detail than in NGA publications. The 1985 report, *Investing in Our Children*, by the Committee on Economic Development, proposed universal magnet schools, saying that a market system was necessary to provide incentives for school improvement. The Carnegie Forum on Education and the Economy proposed both "market"/choice and "administrative"/regulatory (e.g., increased accountability and financial incentives) strategies for improving schools, in its 1986 report, *A Nation Prepared: Teachers for the 21st Century*. In 1988, the President's Commission on Privatization expressed support of both public school choice programs and vouchers or other programs that include private schools.

Finally, the concept of public school choice has been actively promoted by President George Bush and Secretary of Education Lauro Cavazos, both during Mr. Bush's campaign for President and since his election. Administration support of school choice was highlighted during a White House conference devoted to this topic on January 10, 1989. President Bush was quoted at this conference as stating that he intended "to provide every feasible assistance to the States and districts interested in further experimentation

with choice plans or other valuable reforms."[19] In his revisions to the Administration's fiscal year (FY) 1990 budget request, President Bush recommended that $100 million be appropriated for a new program of Magnet Schools of Excellence. President Bush's amendments to the FY 1990 Administration budget request also propose the appropriation of $13 million for a new program of Experiments for Educational Achievement. Among the many educational issues that would be addressed by this program would be parental choice among schools. Legislation to authorize this new program is expected to be provided by the Administration soon.

President Bush has actively promoted school choice.

Previously, Reagan Administration proposals related to school choice involved private as well as public schools. One--tuition tax credits--would have benefitted private school pupils and their families almost exclusively. The second major proposal--that aid for the education of disadvantaged children, under title I, chapter 1, ESEA, be provided in the form of vouchers--could have been used to purchase services from any private or public school. Both of these proposals were rejected by the Congress (see footnote [1]).

[19]*New York Times*, Jan. 11, 1989, p. B28.

FEDERAL ASSISTANCE TO SCHOOL CHOICE PROGRAMS

Thus far, the primary Federal program supporting public school choice has been the Magnet Schools Assistance program for desegregating school districts, authorized by Title III of the Elementary and Secondary Education Act (ESEA). Funds under this program can be used for the planning needed to further magnet schools' academic programs, for the acquisition of instructional materials, and for the compensation of teachers. Districts must either be (1) implementing a desegregation plan under Federal or State court order, or under order of a State agency, or (2) voluntarily implementing a desegregation plan approved by the Secretary of Education as meeting the requirements of Title VI of the Civil Rights Act of 1964. Districts prepared to voluntarily implement a plan with Magnet Schools Assistance funding are also eligible. It is estimated by the Department of Education that the FY 1989 appropriation for the program of $113.6 million will assist some 58 school districts.

Current Federal aid is limited to magnet schools for desegregation.

Additional aid to school choice programs is authorized under ESEA Title IV, section 4606, as part of the Secretary's Fund for Innovation in Education, although the program, first authorized for FY 1989 (P.L. 100-297), has not yet been funded. This program, entitled Alternative Curriculum Schools, authorizes grants to LEAs, intermediate educational agencies, and consortia of these agencies, to develop and implement school choice programs. Eligible grantees must have a minority pupil enrollment rate of 65 percent or more[20], individual alternative schools must have a minority enrollment rate of 50 percent or more, and the choice program must contribute to desegregation of the LEA(s). Grantees must collaborate with institutions of higher education, community based organizations, and the State educational agency. The authorized appropriation level for Alternative Curriculum Schools is $35 million for FY 1989, and "such sums as may be necessary" for each of FY 1990-1993, although no funds may be appropriated unless appropriations for magnet schools (ESEA title III) equal or exceed $165 million.

Finally, there is a brief reference to "open enrollment among schools" as an authorized purpose for which grants may be used under the Fund for the Improvement and Reform of Schools and Teaching (FIRST). The FIRST program was authorized as title III, part B, of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988. Under subpart 1, Grants for Schools and Teachers, the Secretary of Education may make discretionary grants for a wide variety of

[20]Where the grantee is a consortium, at least one LEA in the consortium must meet this criterion.

school improvement demonstration projects, including "open enrollment among schools". An initial appropriation of $3,952,000 was made for Grants for Schools and Teachers for FY 1989, and the same amount has been requested by the Administration for FY 1990. No grants have yet been awarded under this program, so there is no information on whether funds have actually been used to support school choice programs.

In addition, the Federal Government in the past has funded public school choice experiments. In the early 1970s, the Federal Government supported an experiment in public school choice in the Alum Rock school district, San Jose, California. The U.S. Office of Education (OE) also supported the development and implementation of a partial school choice program in Minneapolis, Minnesota, in the early 1970s, under OE's Experimental Schools program. The Alum Rock program did not last very long after the specific Federal aid was terminated; however, the Minneapolis program bears a partial, indirect relationship to more recent school choice initiatives in Minnesota. Additional information about these programs is discussed later in this report, with respect to particular issues.

SELECTED ISSUES RELATED TO PUBLIC SCHOOL CHOICE PROGRAMS

The debate over public school choice programs encompasses a number of complex and controversial issues. The analysis below focuses on three groups of issues:

1) the effects of school choice programs on parental involvement, student achievement, and school desegregation;

2) the implementation of choice, including its impact on current Federal education programs, the role of information, the cost and other administrative constraints on choice, the incentives for teachers and administrators; and

3) the general context for debating choice, encompassing the use of choice in other nations, lessons from other public service programs in this country, and the relevance of the economic concept of competition to education.

EFFECTS OF CHOICE PROGRAMS

Effects on Parental Involvement in, and Support of, the Public Schools

A primary rationale for expansion of public school choice is that enabling parents to exercise such choice will increase their degree of involvement in, and support of, the public schools. Proponents of choice frequently argue that just as student learning styles and educational needs vary, so do parental preferences regarding school environment, instructional methods and content. Therefore, parents would feel a greater affinity toward schools that they have chosen for their children, and this might stimulate them to more actively supplement the educational process, through tutoring at home, voluntary activities at the school, fund raising, etc. Proponents also tend to see choice as a means to "restore" a "balance" between parents and education professionals in influence over the schools.[21]

Will school choice increase parental involvement, or simply provide an easy way for involved parents to escape "bad" schools?

[21]See Snider, *The Call for Choice*.

It seems plausible that giving parents a more active role in selection of their child's school and educational program might stimulate greater attention to the child's educational progress among many parents. The availability of a range of school types might also serve as an accountability mechanism--a clear indication of public preferences on school curricula. It has been frequently reported that, "[P]arents whose children have switched to other schools tend to be more satisfied with their education."[22] However, it is probably inappropriate to extrapolate to the school population at large from the varied, and poorly researched, school choice programs now in operation.

Public and parental response to school choice questions has been positive in the annual Gallup Poll on education issues in recent years. The 1987 poll found that the public favored increased public school choice by a substantial majority of 71 to 20 percent (with 9 percent expressing no preference), while only a small plurality favored school voucher programs that would include private schools, 44 to 41 percent (with 15 percent expressing no opinion). Support for public school choice was greater among parents of school age children than among the population at large, with 76 percent of these parents expressing support for the concept.

Pupils might better identify with, and become more engaged in, schools that their families have selected. However, parental and pupil school preferences could conflict, especially at the secondary level. In such cases, particularly for older students, whose choice should be implemented? While such intrafamily conflicts exist now, they could be exacerbated if the range of school choices were widened.

The easy availability of alternative schools might remove an incentive for parents to work to help improve schools that they consider to be deficient, or avoid a commitment to quality in <u>all</u> schools. Neighborhood schools may be said to have a "natural constituency" that might be threatened by expansion of districtwide school choice. Enabling families to "escape" from institutions perceived to be in decline may simply make those institutions more deficient.[23] Further, parents who transfer their children to schools outside their LEA might actually find their ability to influence those schools to be diminished, since the schools would be governed by boards elected by others, and the schools are likely to more distant from their homes and places of employment.

It has generally been found that parent involvement in the schools is greatest among parents with relatively high incomes and education levels, lowest among the poor, the less well educated, and recent immigrants who are not proficient in English. It is not clear whether the provision of greater

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[22]Wall Street Journal, May 13, 1988, p. 1. See also Esposito, *Public School Choice*, p. 78, in which it is concluded that school choice programs have generally lead to increased parental involvement.

[23]For a comprehensive discussion of this topic, see Hirschman, Albert. *Exit, Voice, and Loyalty*, 1970.

school choice might elicit involvement from parents who are currently relatively detached from their child's education--such choice might simply or primarily provide an additional outlet for expression of the interest of parents who are already actively involved in education. If the latter effect were predominant, then the net effect of greater choice could be self-selection of the children of educationally aware and involved parents into certain schools or districts, leaving primarily the children of parents who are unable or unwilling to become actively involved attending other schools. Benefitting from the availability of choice may require a degree free time, energy and knowledge that many parents do not possess.

Data from at least one school choice program, Harlem Community District No. 4, show no evidence of increased parental involvement. According to the authors of a recent analysis on this topic, "[E]xtraordinary parental involvement resulting from enhanced educational choice offered to District 4 parents has not materialized. Parents are not extensively involved in District 4 beyond traditional parent-teacher interactions."[24]

LEAs can attempt to alleviate the educational deficits and apathy of many parents through outreach and information dissemination activities, utilizing community organizations and service agencies. Some advocates of choice argue that all parents are interested in their children's education, but they need to have greater opportunity to influence that education, and better information resources. Such activities are conducted, with some apparent success, in such LEAs as Cambridge, Mass. The costs of outreach can be significant, however; Cambridge has expended approximately $100,000 per year for this purpose, hiring a full time parent coordinator for the district plus half time employees for each school.[25]

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[24]Kutner and Salganik, *Educational Choice in New York District 4*, p. 20.

[25]Snider, *The Call for Choice*. See also the section of this report on "information needs" for a more complete discussion of this topic.

Choice Programs and Student Achievement

Undergirding the current choice movement is the belief that offering options to parents will improve their children's academic performance. This section explores this issue by addressing two questions: Is there evidence that choice leads to higher academic achievement? If there is, what is it about choice that might account for it? In general, this section shows that, although academic achievement frequently is higher in choice schools, that result may be as likely to stem from those schools attracting higher performing students in the first place, as from some other aspect of the choice process. In the final analysis, whether and how choice might contribute directly to higher academic achievement remain open questions.

Higher Achievement?

Higher academic performance is frequently **associated** with schools of choice--students in these schools often score above district averages and achievement levels often rise during enrollment in these schools.[26] One of the most extensive analyses of the research on family choice in general concluded that choice among schools is linked to improved student achievement and subsequent educational attainment.[27] Comprehensive research on magnet schools found that students in these schools are very likely to have math and reading achievement scores that exceed district averages.[28]

*Higher academic performance is frequently **associated** with schools of choice.*

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[26]Finding an **association** between higher achievement and schools of choice is not the same as proving that choice **caused** that higher achievement. The former requires only that higher achievement be present in choice schools; the latter requires evidence about how choice led to the achievement. This is discussed further below.

[27]Raywid, Mary Anne. *Family Choice Arrangements in Public Schools: A Review of the Literature*. Review of Educational Research, Winter 1985. See, also, Raywid, Mary Anne. *The First Decade of Public School Alternatives*. Phi Delta Kappan, Apr. 1981; Duke, Daniel Linden, and Irene Muzio. *How Effective Are Alternative Schools?--A Review of Recent Evaluations and Reports*. Teachers College Record, Feb. 1978; Doob, Heather Sidor. *Evaluations of Alternative Schools*. Educational Research Service, Inc., 1977.

[28]Blank, et al., *Survey of Magnet Schools*.

Others who have studied specific choice plans and commissions on school improvement have made similar findings about academic achievement.[29] For example, one analysis found that, after the Harlem Community District No. 4 adopted its choice programs, the average achievement levels of its students rose substantially.[30] Between 1973 and 1985, the percentage of pupils reading at or above their grade level increased from 16 to 53 percent, the district's ranking within the city on reading achievement scores increased from last (32^{nd}) to 18^{th}, and the number of students accepted for enrollment in one of the city's selective high schools--such as the Bronx High School of Science--rose from 15 to 356 students.

Proponents maintain that choice sets in motion a process that results in such higher achievement.[31] The act of choosing, it is asserted, can result in schools composed of students and teachers who want to be there and who share a set of common objectives. As a result, student attendance and behavior can improve. Under choice programs, governance of schools can become less bureaucratic, more localized, and more flexible, permitting schools to become more responsive to students. Schools of choice can, thus, offer their students education appropriate to their needs. Concurrently, as parents choose schools, their involvement can grow, leading to educationally supportive home environments. These and other conditions arising from the use of choice, according to this argument, can provide an environment conducive to improved student achievement.

However, academic improvement is **not** inevitable with choice. This should not be surprising given the complexity and diversity of choice ventures. The academic and other success of these programs is likely to depend in part upon the specific steps taken in their implementation. For instance, Raywid noted that success in magnet schools depends on, what

Academic improvement is not inevitable with choice programs.

[29]Rossell, Christine H., and Charles L. Glenn. *The Cambridge Controlled Choice Plans*. Urban Review, v. 20, no. 2, 1988; Nathan, *Results and Future Prospects of State Efforts to Increase Choice Among Schools*; National Governors' Association, *Time for Results*; and Esposito, *Public School Choice*.

[30]Kutner and Salganik, *Education Choice in New York District 4*. As noted earlier, this district attracts students from other districts. It is not clear to what extent such students have contributed to the improved achievement.

[31]The explanation, as described here, is actually an amalgam of several hypotheses that concentrate on the structural, attitudinal, pedagogical, or bureaucratic changes that characterize different choice programs.

she calls, the "implementation details" of design and execution.[32] Failure to attend to those details can lead to results opposite from those intended. Rolf Blank, et al. found that the educational quality of a magnet school program depends on strong backing from district level administrators and leadership from school building principals.[33] These findings are apt to apply to other kinds of choice efforts as well.

In addition, the implementation of choice does not take place in a vacuum. Other activities occur simultaneously, making it difficult at times to separate out the effects of choice from other factors. For example, academic improvement in Cambridge, Massachusetts is often attributed by choice proponents to implementation of its controlled choice program. However, officials of the school system reportedly point to the relatively recent restructuring of elementary and middle schools into K-8 schools as a major contributor to test score improvement.[34]

The current research on the academic and other outcomes of choice is seriously limited. Primarily, researchers have frequently failed to determine the extent to which the students and families exercising choice, or being chosen, would have exhibited relatively high level of achievement anyway. For example, one review of the research on alternative schools concluded that, given the failure of most analyses to account for the effects of students' background and ability levels, no definitive conclusion could be reached about the educational impact of these schools.[35]

Indeed, some observers have argued that the greater academic achievement often associated with choice schools can be attributed to higher

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[32]Raywid, Mary Anne. *Reflections on Understanding, Studying, and Managing Magnet Schools*. In Blank and Messier, *Planning and Developing Magnet Schools*, p. 9.

[33]Blank et al., *Survey of Magnet Schools*, p. 72. The authors distinguish educational quality from achievement scores. The former is reflected in (1) students being "on task", (2) students and staff having educationally positive interactions, (3) students having substantial opportunities for educational assistance, (4) the fit between what goes on in the school and the school's stated objectives, and (5) whether the school has developed a uniquely identifiable character.

[34]Rossell and Glenn, *The Cambridge Controlled Choice Plan*, p. 90.

[35]Duke and Muzio, *How Effective are Alternative Schools?*, p.481. They assert: "How well do alternative schools educate students? Data contained in the nineteen evaluations and reports we reviewed do not permit us to answer this question with any degree of confidence. The general absence of control-group data in most cases prevents us from saying for certain that students in alternative schools performed as well as their conventional school counterparts."

achieving students, or those with the potential for such achievement, being attracted to these schools.[36] Although a measure of self-selection by students is, by definition, an aspect of choice programs, some of these programs apparently apply even more selectivity to their admissions. Blank, et al. stated that 89 percent of the magnet schools they surveyed "screen[ed] out certain types of students."[37] These schools established admissions criteria that usually required students to be performing at grade level and to have no record of serious behavioral problems.[38]

In conclusion, without better research on choice programs, particularly on the kinds of programs most under consideration for implementation, policymakers cannot be certain their achievement objectives will be met.

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[36]Moore, Donald R., et al. *The New Improved Sorting Machine*. Paper presented to the Education Writers Association, Apr. 15, 1988. See, also, Snider, William. *School Choice: New, More Efficient 'Sorting Machine'?* Education Week, May 18, 1988.

[37]Ibid., p. 58

[38]Ibid., p. 60

Choice and School Desegregation

Concern about the effects of widespread use of choice programs today may stem, in part, from the use of choice in the early stages of school desegregation in this country to maintain or promote racially segregated schools. During the 1950s and 1960s, segregated school systems established "freedom of choice" plans in an effort to satisfy the requirements of Brown v. Board of Education[39] without actually having to desegregate their schools. When such plans came before the U.S. Supreme Court, the Court struck them down for failing to disassemble the dual system of education as required under the Constitution, and for shifting the burden for desegregation action from school boards to parents and students.[40] Nevertheless, the experience with choice in the desegregation context has not been all negative. Choice in the form of magnet schools has emerged during the 1980s as a primary approach to school desegregation approved by courts and school officials.

Choice has been used to maintain segregation as well as to alleviate it.

For many observers, the success or failure of current choice efforts will be determined by their effect on racial and ethnic enrollment patterns. This section will consider the consequences of choice programs for desegregation.

Attention to Desegregation in Current Efforts

The choice programs and proposals currently under scrutiny often explicitly address the question of their impact on desegregation. For many magnet schools and controlled choice plans, improving desegregation levels within school districts is their primary objective. Nevertheless, choice programs and proposals being advanced principally for other reasons also often attend to desegregation consequences. For example, the Minnesota School District Enrollment Options program requires compliance with all current desegregation plans in participating districts. Legislation approved by the Arizona House in 1988, which would have eliminated tuition for students enrolling in public schools outside of their home district, provided a safeguard for districts under desegregation orders. Bill Clinton, Governor of Arkansas, has proposed making choice available to students as long as it does not adversely affect racial desegregation. It should be noted, though, that some recent proposals reportedly were silent with regard to desegregation.[41]

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[39]347 U.S. 483 (1954).

[40]Green v. New Kent County, 391 U.S. 430 (1968).

[41]According to Esposito, in *Public School Choice*, certain proposals considered last year in Colorado and Massachusetts had no specific provisions to address racial segregation concerns.

Effects on Desegregation

Both proponents and opponents of public school choice will find support in the available research on choice's impact on desegregation. To some analysts, choice is one of the most effective ways of desegregating school systems. In recent years, magnet schools have become a popular desegregation technique with the courts and school officials.[42] Recent research comparing (1) desegregation plans that rely principally on voluntary enrollment in magnet schools and majority-to-minority transfer[43] to (2) plans emphasizing mandatory assignment (perhaps with some limited magnet options) found that "magnet-voluntary" plans can lead, over time, to higher levels of desegregation.[44]

The controlled choice plans discussed previously in this paper are advanced as clear evidence that choice and desegregation are compatible. Research on the extent of desegregation in Cambridge, Massachusetts, and Montclair, New Jersey, for example, shows that controlled choice has not only maintained previous levels of desegregation but actually improved those levels.[45]

Nevertheless, other evidence is available suggesting that choice can actually lead to higher levels of racial and ethnic segregation. There are

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[42]Rossell and Glenn, *The Cambridge Controlled Choice Plan*.

[43]Majority-to-minority transfer is the movement of students from schools in which their race is in the majority to schools where they will be in the minority.

[44]Rossell, Christine H., and Ruth C. Clarke. *The Carrot or the Stick in School Desegregation Policy?* Prepared for the National Institute of Education, U.S. Department of Education, Mar. 1987. p. 128.

[45]Rossell and Glenn, *The Cambridge Controlled Choice Plan*; Rossell and Clarke, *The Carrot or the Stick in School Desegregation Policy?* The Cambridge data, presented by Rossell and Glenn, reveal that racial imbalance (that is, the percentage of minority students that would have to be reassigned in order to achieve the district's white-minority ratio in each school) has declined markedly since the controlled choice plan was instituted (from 17.8 percent in 1981 to 5.9 percent in 1986). Rossell and Clarke's data on Montclair depict a similar decline (from 12.3 percent in 1976 to 3.9 percent in 1985). In neither case does it appear that the decline in racial imbalance can be attributed to any large extent to white flight (a reduction in white enrollment can, by itself, reduce the racial imbalance measurement). Indeed, in Montclair, interracial exposure (the percentage of white students in the average minority student's school) seems to be stable, if not improving; the 1985 rate (51.7 percent) is higher than the 1981 rate (50.8 percent).

various ways that magnets, in particular, have in fact done so.[46] In some instances, magnet schools have become sanctuaries for white students seeking to avoid enrollment with minorities. Magnets have at times employed admissions criteria that limited the access of minority students. In other cases, magnet schools have siphoned off resources, good teachers, and good students from other schools in the school district, limiting those schools' chances of meeting desegregation objectives. Some magnets have been revolving doors for minorities, admitting them but failing to keep them enrolled. Blank, et al. found examples of nearly all of these in the magnet schools they surveyed. One analysis, critical of selectivity in the allocation of educational opportunity, found that selective high schools, including magnet schools, typically had disproportionately high white enrollment.[47]

A review of the research on the alternative kinds of choice programs strongly suggests that choice need **not** conflict with desegregation goals, but that it takes substantial planning and determined implementation to avoid that clash. The experience in controlled choice districts is a case in point.[48] In those systems, choices that adversely affect racial balance are denied. School staff make significant efforts at ensuring that as many parents as possible know how to choose and have information upon which to base their choices. In the event none of a student's choices can be honored a mandatory assignment process may take over based on desegregation concerns and other factors, such as distance from home. Further, one of the most important factors contributing to a positive magnet effect on desegregation appears to be the extent to which a school district's leadership is committed to desegregation and acts upon that commitment.[49]

Related Concern

There may be concern about choice's impact on the distribution of students by socioeconomic status. Although there is only limited research data on this question, it may be a matter meriting additional attention. Given the association between minority status and lower socioeconomic status,

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[46]Blank, et al., *Survey of Magnet Schools*. See, also, Moore, et al., *The New Improved Sorting Machine*.

[47]Moore et al., *The New Improved Sorting Machine*, p. 8.

[48]Other factors, besides the degree of effort and the precise features of the plans, may contribute significantly to their apparent success. Controlled choice appears to have been implemented to date mostly in relatively small school districts. Levels of school segregation in some districts were already low. Residential segregation may also have been low in some districts, making choice based primarily on neighborhood location less likely to segregate schools.

[49]Blank, et al., *Survey of Magnet Schools: Analyzing a Model for Quality Integrated Education*.

changes in racial and ethnic desegregation may be a function, at least in part, of differences in socioeconomic standing. For example, if exercising choice involves some additional financial expenditure by students' families (e.g., to meet transportation costs), economically disadvantaged students may be less likely to participate. A following section shows that socioeconomic status may be associated with the extent to which families obtain and act upon information in a choice program. This sorting on the basis of socioeconomic status may result in more racial and ethnic segregation among schools. Finally, it should be observed that choice programs appear to do little monitoring of the distribution of students on the basis of socioeconomic characteristics.

IMPLEMENTATION ISSUES

Impact on Federal Education Assistance Programs

Certain issues may be raised regarding the relationship between school choice programs and current Federal education assistance programs. Does school choice have any special implications, or create any potential difficulties, for the administration of Federal elementary and secondary education aid?

Comprehensive school choice programs call into question the premise underlying selection of chapter 1 target schools.

One example of such difficulties is the largest Federal elementary and secondary education program--aid for the education of disadvantaged children, authorized under title I, chapter 1 of the Elementary and Secondary Education Act of 1965 (ESEA). In some cases, the requirements for selection of target school attendance areas under the chapter 1 basic grant program could conflict with, or limit the effectiveness of, school choice programs. The structure of chapter 1, with respect to selection of schools in which to conduct programs, is implicitly based on an assumption that pupils attend "neighborhood" schools, and that chapter 1 services should be provided only in the schools serving the neighborhoods with the highest numbers or percentages of children from low income families. In general, if a child who has been served by chapter 1 transfers to a public school that is not located in a target school attendance area, that child loses access to chapter 1 services. The authorized exceptions to this general rule are: (1) the child may continue to be served, at local educational agency discretion, but for the remainder of the school year only[50]; (2) if so many children transfer away from neighborhood schools in eligible attendance areas that a receiving school has as high a proportion of children from low income families *in attendance* as the proportion of low income children *residing* in an eligible school attendance area, then the receiving school may conduct chapter 1 programs. More broadly, comprehensive school choice programs, that involve all schools of an LEA or State, call into question the basic premise underlying selection of chapter 1 target school attendance areas, since neighborhood schools and attendance areas do not exist.

Options to address these situations might include: (1) granting to LEAs the authority to extend the eligibility of transferred pupils (to schools that are

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[50]Further, under the chapter 1 authorization for "innovation projects" (sec. 1011(b)), LEAs may choose to use up to 5 percent of their grants for activities including provision of continued services to such transferred pupils for up to 2 years after they transfer.

not in chapter 1 target attendance areas) beyond the current school year[51]; (2) authorizing LEAs to select chapter 1 participants from among the lowest-achieving pupils in the LEA, regardless of the school they attend or the school attendance area in which they reside; or (3) adopting the concept now used to determine the eligibility of private school pupils for chapter 1--that pupils are eligible for chapter 1 if they reside in a relatively low-income school attendance area and are educationally disadvantaged, regardless of the location of the school they attend. A potential difficulty with all of these options is that they could result in chapter 1 services being widely dispersed, with small numbers of pupils being served in many schools. This would make it difficult to comply with the chapter 1 requirement that the "size, scope, and quality" of chapter 1 projects in individual schools be substantial.

Alternatively, school choice programs might be established for the specific purpose of giving educationally disadvantaged pupils and their families a selection of compensatory education methods and strategies. These schools could receive chapter 1 funds if they attracted sufficient numbers or percentages of pupils from low income residential areas to qualify as chapter 1 target schools on the basis of their attendance.

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[51]Or beyond a second year in the case of "innovation projects"--see preceding footnote.

Information to Make Choices

To be equitable and extend its benefits to all parents and students, a system of public school choice must have aggressive and effective ways of informing students and parents about the choice process and the choices to be made. In their recent reform proposal, Kearns and Doyle address the issue: "In a choice system, how can uninformed parents choose? Obviously, they can't choose wisely or well without help."[82] This section briefly explores the provision of information in public school choice plans. It concludes that information is critical to choice plans if their intended benefits are to be provided to all affected families. To be effective, choice programs must disseminate information in numerous forms and in many locations. The programs must also monitor parental responses and make special efforts to reach the unresponsive.

Will parents be sufficiently well informed to make good choices among schools?

Information Hurdles

A primary concern of critics of public school choice is that it will result in socioeconomic and racial segregation of students as parents with higher incomes and more education actively exploit all of their options, while those with less income and education fail to avail themselves of their opportunities.

This concern is sparked, in part, by evidence from previous choice efforts showing that different groups of parents acquire different levels of information about schools and acquire their information in different ways. For example, evaluators of the federally funded, public school voucher experiment in Alum Rock, California, found that parents with more education received their information primarily from printed material and discussions with a full range of school staff, as well as parent counselors. In contrast, parents with less educational attainment depended on personal communication with parent counselors in particular. It was concluded that initially families of higher

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[82]Kearns, David T., and Denis P. Doyle. *Winning the Brain Race: A Bold Plan to Make Our Schools Competitive*, 1988. p. 26. See also, Hale, Phale D., and Larry O. Maynard. *Effective Information Dissemination and Recruitment Strategies for Magnet Schools*, contained in Blank and Messier, *Planning and Developing Magnet Schools*; Bridges, Gary. *Information Imperfections: The Achilles' Heel of Entitlement Plans*. School Review, May 1978; and Snider, William. *Parents and Choice: Spreading Word on Options Seen as the Key to Informed Decisions*. Education Week, June 24, 1987.

socioeconomic status had a greater opportunity for informed decision making.[53] Other analyses of choice programs have reached similar conclusions.[54] Further, review of the research on how information is provided and received in social service programs for disadvantaged populations determined that "poor persons use informal, oral, familiar information networks and are less likely to have access to information sources and assistance than are more advantaged populations.[55]

Providing information in public education choice programs is made more difficult by the complex nature of schooling and its outcomes. It is not always clear which features of a school are critical for the achievement of desirable outcomes.[56] In addition, the range of outcomes that parents and others might consider desirable is quite broad, including higher academic skills, socialization of students, an understanding of common cultural values, vocational skills, etc. Determining precisely **what** information to provide parents may be as difficult as determining **how** to provide that information.[57] Related concerns are that the information provided be accurate, relevant, and usable. In addition, if schools and programs change over time in response to differing needs, long term attention to information dissemination will be required.

In essence, if parents and students are to make informed choices under a choice program they must have access to adequate information. That information must be provided in many different forms and in many different

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[53]RAND. *A Study of Alternatives in American Education, Volume VII: Conclusions and Policy Implications*. prepared for the National Institute of Education, U.S. Department of Health, Education, and Welfare, Aug. 1981. p. 43.

[54]Bridges, *Information Imperfections*; Nault, Richard L., and Susan Uchitelle. *School Choice in the Public Sector: A Case Study of Parental Decision Making*. In Manley-Casimir, Michael E., ed. Family Choice in Schooling: Issues and Dilemmas, 1982.

[55] Olivas, Michael A. *Information Access Inequities: A Fatal Flaw in Educational Voucher Plans*. Journal of Law and Education, Oct. 1981. p. 449-450.

[56]See, for example, Bridge, R. Gary, et al. *The Determinants of Educational Outcomes: The Impact of Families, Peers, Teachers, and Schools*, 1979; and Madaus, George F., et al. *School Effectiveness: A Reassessment of the Evidence*, 1980.

[57]Bridges, *Information Imperfections*. Information dissemination apparently can be expensive. The Cambridge, Massachusetts school system reportedly spends $100,000 annually on informing parents about their choice options. (Snider, *Parents and Choice*)

places. The program must also make a strong effort to reach all potentially affected families so that they may exercise their options.[58]

Current Practice

How do the choice options currently under scrutiny inform parents about the choice process and about their options? Hale and Maynard identified a wide variety of ways in which magnet school systems disseminate information, including use of the local media, formal and informal meetings with parent groups, mailings to students and parents, recruitment visits to schools, peer recruitment, school open houses, and recruitment booths at shopping malls.[59]

The controlled choice programs, discussed in a previous section of this report, approach the provision of information in a comprehensive fashion. The Cambridge, Massachusetts controlled choice program has established a Parent Information Center in one school, and assigned parent liaisons to each school. The Information Center works with individual schools to run tours, information fairs, and open houses. It has established regular contact with preschool and day care centers in the city in order to provide information to parents with young children who will be enrolling in the public schools. Material describing the system is printed in each of the languages commonly spoken in the city.[60]

The kinds of information provided to parents are varied. They include descriptive information on participating schools' curricular and pedagogical characteristics, educational philosophy and objectives, admissions requirements, advice on how to evaluate whether a school is appropriate for their child, and information on other sources of information available in the community.[61]

How effective are these efforts in informing all parents about their options? There is relatively little evidence upon which to base a conclusion.

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[58]Ferguson, Laura. *Parent Information Strategies: Helping Parents Find Out About Schools of Choice*, v. 3 of *Parent Choice and Public Schools*, Institute for Responsive Education, prepared for the U.S. Department of Education, Apr. 1987; Kearns and Doyle, *Winning the Brain Race*; Rossell and Glenn, *The Cambridge Controlled Choice Plan*; Alves and Willie, *Controlled Choice Assignments*.

[59]Hale and Maynard, *Effective Information Dissemination and Recruitment Strategies for Magnet Schools*.

[60]Snider, *Parents and Choice: Spreading Word on Options Seen as the Key to Informed Decisions*; Alves and Willie, *Controlled Choice Assignments: A New and More Effective Approach to School Desegregation*; Rossell and Glenn, *The Cambridge Controlled Choice Plan*.

[61]Ferguson, *Parent Information Strategies*; telephone interviews with officials in the Buffalo, New York and Montclair, New Jersey school systems.

One might note that in Alum Rock, after the choices available to parents and students had been in place for a year or more, the information gap between parents of different socioeconomic levels closed substantially, presumably because all parents had had an opportunity to learn about the system.[62] In addition, it appears that the controlled choice plans may deliver adequate levels of information to parents to reduce their propensity for choosing schools based largely on their proximity to home. Rossell and Glenn found that a high percentage of students in Cambridge, Massachusetts are enrolled in schools other than those which would have been their neighborhood school (64 percent of minority students and 52 percent of whites attend non-"neighborhood" schools).

Evidently, providing adequate levels of the right kinds of information to all parents is a task requiring commitment, planning, and resources. Some school districts appear to have accomplished the task; it is not clear that all could or would.

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[62]RAND, *A Study of Alternatives in American Education.*

Costs and Other Administrative Constraints on Choice Programs

School choice programs are sometimes promoted as means of improving elementary and secondary schools without increasing educational spending. Nevertheless, school choice programs might significantly increase educational costs, and certainly would amplify administrative complexities, especially if the program is broad and efforts are made to maximize equity and parental involvement. However, it might be argued that costs of implementing a school choice program should be compared to the costs of alternative means of improving schools, rather than to current cost levels.

Cost Implications

Funds are allocated to individual public schools primarily on the basis of the number of pupils they enroll. Under most current public school choice programs, a proportional share of revenues "follows the child" as he or she transfers from one school to another. While such fund transfers might have only marginal impact on "losing" schools when transfers are limited, these schools might require infusions of additional revenues when substantial numbers of pupils transfer away from them, if they are to avoid an immediate shutdown or irreversible decline. Some current choice programs--such as that planned for Boston or for small, rural LEAs in Minnesota--provide additional funds for a limited period of time to schools losing pupils as a result of school choice.

There are several ways in which school choice might increase costs.

It is possible that interdistrict school choice plans would create a substantial incentive for greater fiscal equalization among a State's LEAs. If the level of LEA revenues per pupil were not equalized, families might tend to move their children from lower spending to higher spending LEAs.[63] In the past, State legislation to equalize elementary and secondary education revenues among LEAs has tended to "equalize upward"--i.e., not to shift the revenues per pupil of all LEAs to the initial median level, but to raise the median through net increases in aggregate State education revenues, while also bringing all LEAs closer to the new median level. Thus, intrastate equalization might create pressure toward significant increases in total State spending for elementary and secondary education.

School choice may threaten the ability of schools and LEAs to plan for future operations. Increased uncertainty about the size and composition of

[63]There is some tendency for this to occur, through changes in family residence, even in the absence of school choice programs that cross LEA boundaries. However, the financial barrier of home prices (that may include the capitalized value of "better" schools) generally limits such movement currently.

future enrollments and revenues could make it difficult for administrators to efficiently allocate resources, hire staff, and develop school programs. The extent of this difficulty would depend on the degree to which school and LEA enrollments actually varied from year to year, and would be greater for "losing" schools and districts than for those attracting students up to their capacity level. States and LEAs could reduce this problem by requiring that school choices be made well before the beginning of the school year, and limiting the frequency with which pupils may change schools. It might further be noted that administrators of postsecondary educational institutions, both public and private, and of private elementary and secondary schools, already have to cope with such enrollment and planning uncertainties, although they may not always satisfactorily deal with them.

A significant amount of teacher and administrator training is likely to be required when school choice programs are adopted. Substantial teacher training, or hiring of additional teachers, would be especially important if alternative schools adopt specialty content areas or instructional techniques, or if programs notably increase the responsibilities of teachers or principals.

As noted in a preceding section of this report, the costs of developing and disseminating information on school offerings and quality, and of other activities to inform parents about their school choices, might be substantial. These costs might include those for providing more information than currently about school programs and services, parent and student counseling, and surveys of parent preferences for new types of schools.

Transportation costs are among those most likely to significantly increase under school choice programs. When pupils attend schools that are not closest to their homes, different pupils in the same neighborhood attend different schools, and pupils may attend schools outside their LEA, travel costs will probably rise. According to a recent report on school choice, "[I]ncreased busing in both intradistrict and interdistrict choice plans can result in soaring transportation costs and complicated scheduling efforts."[64] These cost increases need not be paid by government--as in the Minnesota plan, many of the costs of transportation for most pupils could be shifted to parents; however, this might be inequitable where relatively low income families are involved.

Given the wide variety of possible ways to improve schools, it is impossible to compare the costs of choice programs compared to the costs of alternative school improvement strategies. Nevertheless, it should be noted that while choice would likely involve cost increases, so would most other means of improving schools.

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[64]Esposito, *Public School Choice*, p. 87.

Other Constraints on Choice

Would a significant range of choices actually be offered?

It may be questioned whether competition would encourage schools to substantially widen their variety of curricular offerings, or whether schools would attempt to appeal to as many potential pupils as possible by offering a relatively bland, undemanding program. Some analysts have determined that existing choice programs have tended to become less distinctive over time.[65] Another probable barrier to a substantially wider range of school programs are increasingly prescriptive State requirements affecting almost every aspect of education, from coursework required for high school graduation to length of the elementary school recess period. The reforms adopted by most States since 1983 have generally reduced the range of educational decisions that can be made by pupils, teachers, or local administrators.

Other constraints on the curricular variety, or educational efficiency, of choice programs would likely result from equity concerns. Educational efficiency might be maximized under plans whereby families may choose schools on a "first come, first served" basis, or where schools are as free to choose their students--through examinations and related selection criteria--as families are to choose schools. These methods would likely result in self-selection of the most able and highly motivated students into the schools with the most rigorous selection standards, leaving lower performing students to be passively "selected" by the remaining schools, especially in systems where there are a few alternative schools but the rest are nonselective and organized on a neighborhood basis. Such methods are also likely to be inequitable, leaving disproportionate numbers of poor or minority pupils in the nonselective schools. Alternative selection methods intended to increase equity--such as lotteries among all who wish to attend a school, with examinations and other selection barriers eliminated--are also likely to reduce the distinctiveness of the alternative schools, by limiting opportunities to match school offerings with pupil abilities and needs. A possible, intermediate compromise to balance equity and efficiency concerns might be to group schools into types with similar offerings, providing to families a choice among school groups, but not of an individual school.

[65]Elmore, *Choice in Public Education*.

Incentives for Teachers and Administrators

Will greater school choice enhance the morale of teachers and principals, or threaten it?

Proponents of school choice often argue that school choice programs can tap the latent creativity of school staff, enable them to work in a more congenial environment, increase their autonomy, and free them from many regulatory burdens. However, some school staff themselves may perceive choice programs to be unsettling and even threatening to their professional status or even their employment.

School choice programs must address not only the "demand" side of parent and pupil preferences, but also the "supply" side of teacher and administrator autonomy to vary programs to meet those preferences.[66] Choice programs generally--although not universally--provide for an increase in "school-based management", i.e., a devolution of more decision-making authority to the school principal and other building level staff, and school restructuring. Thus, principals, and sometimes teachers, tend to have more flexibility in selection of resources to purchase with their limited budget, hiring of teachers, staff structure, and selection of curriculum. It is typically assumed that meaningful choice programs require school staff to develop distinctive educational programs, and it is therefore necessary to give staff more flexibility and autonomy to develop these programs, preferably in accordance with the staff's own judgment regarding the most effective educational techniques and content. Some critics have complained that the result is inequitable when a few "schools of choice" in an LEA are provided with this flexibility, and perhaps additional resources, while other schools in the LEA are not.[67] However, this would appear to be less of a problem in LEAs where all schools are open to selection.

Proponents of choice argue that encouraging educators to develop distinctive school programs, combined with additional authority for budgetary and staff decisions, "empowers" teachers and principals, raises their professional status, and improves their morale. They argue that most teachers and principals now feel stifled by the limited scope of authority they have, that almost all significant policy decisions are made by central LEA staff, local school boards, or State legislation and school boards. It has further been widely concluded that limited autonomy is a major factor, along with pay levels, in the relatively low professional status and morale of teachers.[68]

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[66] *Ibid.*

[67] See, Moore, et al., *The New Improved Sorting Machine.*

[68] See, for example, Boyer, Ernest L. *High School: A Report on Secondary Education in America.* Carnegie Foundation for the Advancement of Teaching, 1983.

In contrast, some critics of choice programs argue that they do not provide sufficient autonomy to meet the increased expectations for distinctive educational services on the part of students and parents. Others are critical of programs that increase the authority of principals but not that of teachers, or are concerned that accountability might be threatened by a substantial devolution of control from local school boards and superintendents to building staff. Further, there are many possible ways to increase the autonomy and authority of principals and teachers without adopting school choice programs.

In addition to possible increases in autonomy and control, teacher and principal morale and motivation might be increased in school choice programs by a purportedly stronger sense of affiliation, identity, and unity of purpose on the part of the parents, pupils, and staff of such schools. These school characteristics are sometimes subsumed under the concept of school "ethos" or atmosphere. Proponents argue that this ethos is improved under choice programs because pupils and staff are alike in some educationally important way, and students are better motivated. Some analysts of the effectiveness of private versus public schools have focused on school ethos and shared values as a basis for the purportedly greater success of private schools with certain types of pupils.[69] Others cite recent analyses of excellence in commercial firms, where attention has recently been focused on "worker autonomy, sense of ownership, and identification and commitment."[70]

Similarly, the popular body of "effective schools" research has focused on certain school characteristics--strong leadership by the principal (and autonomy to exercise that leadership), an ethos or atmosphere that is cohesive and supportive of achievement, consensus on instructional goals[71] that proponents find to be promoted by school choice programs. However, in addition to methodological critiques regarding the *causes* versus *effects* of "effective schools," this literature provides little guidance on how to attain the school characteristics it promotes, and in particular does not indicate that school choice is an effective mechanism for attaining them.

Choice might foster a better match between teacher skills and student needs; choice among several distinctive school types might result in "fitting the system to the students" instead of "fitting the students to the system." A sense of unity might also be fostered by the smaller average size of schools in

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[69]See Coleman, James S., and Thomas Hoffer. *Public and Private Schools*, 1987.

[70]Raywid, Mary Anne. *Excellence and Choice: Friends or Foes?* In Urban Review, v. 19, no. 1, 1987. p. 39.

[71]U.S. Library of Congress. Congressional Research Service. *The Effective Schools Research: Content and Criticisms plus section 1471(7) of the Elementary and Secondary Education Act, As Amended by P.L.* 100-297. CRS Report for Congress No. 85-1122 EPW, by James B. Stedman. Washington, Dec. 18, 1985.

many choice systems, so that students and staff may develop personal relationships. Again, in LEAs with partial choice systems--some alternative schools combined with regular, neighborhood schools--improved morale of teachers in alternative schools may be offset by disgruntlement of the teachers in regular schools, who lack the flexibility, attention, resources, and motivated students of the alternative schools.[72]

In some cases, teacher and principal pay, or even employment, may be threatened by choice programs. While this does not generally apply to existing programs, many proposed programs would provide pay bonuses to teachers and administrators who attract additional students, but loss of pay or employment to those who fail to attract sufficient students. Under the Minnesota interdistrict choice program, some small suburban and rural LEAs fear losing so many of their students that they might have to lay off teachers, close schools, or terminate the entire LEA operations.[73] In virtually any choice plan, loss of students results in loss of funds to the school or LEA overall, even if individual teacher or principal pay levels are unaffected. Loss of better motivated and performing students would also negatively affect staff morale and working conditions. Teacher and administrator careers might therefore be negatively affected by factors that are largely outside their control, or by pupil transfers that might be made for reasons having little to do with the quality of instruction.

It might be questioned whether all teachers are interested in taking the risks associated with selecting a distinctive educational style or content, and developing special schools based on them. Clearly, such interests on the part of some teachers and administrators have been tapped in limited localities that currently have choice programs, but this experience may not apply to all teachers and administrators. Many are probably satisfied with the comprehensive, mainstream elementary and secondary schools in which they now work, and have little interest in establishing alternative schools. At the least, substantial staff retraining is likely to be required before alternative schools could be established on a much larger scale than currently. Of course, comprehensive schools could be retained as an "alternative" in choice systems, but it might be difficult to avoid having them enroll primarily "passive choosers" who are likely to be relatively low achieving students.

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[72]See Snider, *School Choice: New, More Efficient 'Sorting Machine'?*

[73]Some critics of the Minnesota program have argued that a primary, yet unstated, goal of the program is to indirectly force the consolidation of small and rural LEAs that cannot effectively compete for students. See *Public Schools Go to Market, Giving Parents More Choices*. Washington Post, Jan. 2, 1989. p. A1, A4.

THE CONTEXT OF SCHOOL CHOICE

School Choice Programs in Other Nations

In the debate over public school choice in the United States, it might be relevant to consider the extent to which school choice is provided in other nations. A number of other nations that are comparable to the United States in their level of economic development provide a substantial range of choice among publicly funded elementary and secondary schools. The relatively greater degree of central government finance and control of education in most other nations, compared to the United States, may facilitate the provision of such choices. These programs generally differ from public school choice programs because they include schools that are largely, if not essentially, private, even though they receive a substantial share of their revenues from government. The distinction between private and public schools is drawn much less clearly in several other nations than in the United States.

Several nations provide a range of choices among publicly funded elementary and secondary schools.

For example, in the Netherlands, groups of parents may apply to the educational authorities for creation of a separate school that reflects their particular religious, philosophical, educational, or other preferences. These schools receive government revenues per pupil that are the same as those received by regular public schools. The alternative schools must also follow national standards regarding core curricula, teacher qualifications, and other aspects of their educational programs. Thus, the Dutch "private" alternative schools--and similar schools in such nations as Denmark--are perhaps more similar to public alternative schools in the United States than to American private schools. Private, religiously affiliated elementary and secondary schools also receive heavy public subsidies, and are subject to significant public regulation, in France, West Germany, and the United Kingdom.

Additional developments have occurred recently in England and Wales[74] that are relevant to the topic of public school choice. Under the Education Reform Act of 1988 (ERA), the only limit that may generally be placed on the ability of parents to enroll their children in any public school is school capacity. Thus, within the physical limits of the school, parents may transfer their children to other public elementary and secondary schools throughout England and Wales, a policy similar to statewide school choice proposals in the United States. This open enrollment policy also applies to private schools

[74]The elementary and secondary education systems of Scotland and Northern Ireland are separate from those of England and Wales, and only the latter are governed by the Education Reform Act of 1988.

receiving government subsidies (grant maintained schools), with the additional limitation that religiously affiliated schools may discriminate among pupils on the basis of their religion.[75] Parent groups can also vote to have their public school freed from control by their local education authority. These schools that have "opted out" of local authority control would receive funds directly from, and be supervised directly by, the national Ministry for Education and Science.

In Scotland, a Parents' Charter adopted as part of education reform legislation in 1982 provides for open enrollment in primary schools. Research on the effects of this policy in the cities of Edinburgh and Dundee indicates that in 1985, approximately one-fifth of elementary school pupils attended schools outside their neighborhood. Parents tended to move their children away from schools with large numbers of pupils from low income families or living in public housing, and toward schools serving middle class areas with high proportions of parents with postsecondary education. However, parents were generally unwilling to move their children to schools a substantial distance from their homes.[76]

Another example of *partial* public school choice is that of Japan. The Japanese maintain comprehensive, neighborhood schools at the elementary and junior high levels. However, for senior high students (grades 10-12), several schools jointly serve most geographic areas. The area served may be an entire city or prefecture (county), or a division of one of the largest cities. In terms of content, the senior high schools generally emphasize either academic (college preparatory) or vocational education. The primary distinction between the academic high schools that serve an area is in perceived status and difficulty to obtain admission. Students must separately apply to, and pass examinations to enter, individual senior high schools. It is widely reported that within most areas, there is a generally agreed upon hierarchy among schools, with highest status schools more difficult to enter. Through the advice of guidance counselors, and the results of entrance examinations, entering senior high school students are, in effect, sorted into the schools deemed to be appropriate to their level of achievement. Thus, the most able students tend to be admitted to the highest status academic schools, the least able to the lowest status academic high schools or vocational high

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[75]*London Times Educational Supplement*, July 29, 1988.

[76]See *The Future that Lies North of the Border*. London Times Educational Supplement, Oct. 9, 1987. p. 11.

schools.[77] Such segregation of students by achievement level is a result much feared by some critics of school choice in the United States.

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[77] *Japan's High Schools*, by Thomas P. Rohlen, especially p. 72-74. Competition among Japanese senior high schools, while associated with the significant academic success of that nation in tests of comparative achievement, also exemplifies some of the concerns of critics of school choice who fear that it will lead to unequal educational services. Clearly, some high schools are widely believed to be "better" than others in the same locality, and students are sorted into "better" or "worse" schools through rigorous examinations. There are also significant correlations between attendance at "better" senior high schools and entry into the "better" universities, such as the University of Tokyo. While such a system may help to produce high academic achievement levels, especially among those receiving favorable treatment, many Americans would consider such sorting of students and (unofficial) ranking of schools to be inequitable, especially in view of the racial implications the system might have in a pluralistic nation such as the United States.

Lessons From Other Public Services

In analyzing the relevance of choice for public elementary and secondary education, it might be useful to consider the role of choice in other public service program areas. An initial impression is that in most of these other service areas--e.g., postsecondary education, day care, health care, nutrition and housing assistance--there is a much more varied mix of public and publicly subsidized private providers, and a wider selection among public providers, than in elementary and secondary education. For example, in postsecondary education, an academically qualified student may choose among several public colleges, or may receive substantial Federal, and frequently State, aid to attend a private college. The Federal Government provides food stamps to low income families that may be redeemed at virtually any food market. Low income recipients of Federal or State housing or day care assistance may frequently obtain those services from a variety of public or private sources. And health care, heavily supported by Federal Medicare, Medicaid, and other programs, is provided by a mix of private physicians, private clinics and health maintenance organizations, plus public, private nonprofit, and proprietary hospitals.

Most publicly funded services offer a wider range of choices among providers than does elementary and secondary education.

Proponents of public school choice may question why elementary and secondary education should be almost unique among these publicly provided or subsidized services, with minimal public funding for private elementary and secondary schools, and typically limited choices among public schools, with the general assumption that children will attend a single public school serving one's residential area at each grade level. From another perspective, since parents are generally expected to make many other decisions affecting the welfare of their children--what they will eat, what they will wear, what health care they will receive, how they will be housed, etc.--why should the parents not be expected, and allowed, to choose their child's school?

Elementary and secondary education may be unique among publicly subsidized services.

One response to these questions is that public elementary and secondary education is not fully analogous to other public services. Of the services described above, only elementary and secondary education is available to all of the population at no substantial direct cost. Such education is not only available to all, but is compulsory for those up to each State's compulsory attendance age limit (usually 15-17 years). All of the other services are publicly funded only for a minority of the population (although public colleges may be theoretically available to all academically qualified students), and costs

are generally shared between the public and the individuals served. While others' use of each of these services has effects on one's own welfare, this effect is arguably greater in the case of basic education--with its impact on economic productivity, political participation, and other aspects of the quality of life--than the other services. Further, there are constitutional limits on public subsidy of private, especially religiously affiliated, providers of elementary and secondary education that have not been applied to other services.

Because of its distinctive nature, public elementary and secondary education has not generally been considered to be analogous to other publicly supported services, or to consumer goods and services sold in commercial markets. Therefore, the examples of choice mechanisms in these other realms are not necessarily applicable to the public schools. The schools also reflect the general tendency for the degree of governmental control of a service--including the scope of "consumer choice" that is provided--to be roughly proportional to the degree of governmental funding for it. While the involvement of government (Federal, State, and local) funding is substantial in such areas as health care, housing, and postsecondary education, the government share of total revenues is not as high in these areas as in elementary and secondary education.

Applicability of the Economic Concept of Competition to Public Elementary and Secondary Education

Proponents of expanded school choice generally assume that competition among schools will have beneficial effects in the aggregate, improving the average level of school quality. It is similarly argued that school competition will provide accountability through "market forces" rather than the traditional regulatory techniques. In making this assumption, proponents often point to the role of competition in the American economy as an example of the means by which public elementary and secondary education may be improved. The applicability of this example to a public service such as elementary and secondary education is questionable.

Applicability of the economic concept of competition to elementary and secondary education is questionable.

It is a general tenet of "free market" economics that competition will maximize efficiency--i.e., yield the highest possible quality at a given price, or the lowest possible price for a given level of quality--in the production and distribution of a good or service if certain conditions are met. According to one source, the primary conditions that must be met for this to occur include the following[78]:

- consumers must be well-informed about the quality of the good or service offered to them;
- there must be many buyers and sellers of the good or service, and free entry for new sellers;
- the good or service should be something that is purchased frequently, so that consumers can "learn from their past mistakes" and adjust their purchases accordingly; and
- consumption (or nonconsumption) of the good or service by one person should have no effect on others--i.e., it is not a "public" good or service, and there is no government regulation of the market.

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[78]See Koutsoyiannis, A. *Modern Microeconomics*, 1979, chapter 5. Two additional assumptions of the economic model of ("perfect") competition--that all firms be profit-maximizers, and that products be homogeneous--are excluded from this list as being irrelevant to public schools, although this irrelevance adds weight to the argument that the model of competition is not applicable to public elementary and secondary education. Public schools are nonprofit institutions; and the assumption of a homogeneous product is relevant primarily to a situation where firms are competing on the basis of price--i.e., who offers a standardized product at the lowest price--which is not the case with alternative public schools.

Obviously, "markets" for the provision of the service of elementary and secondary education violate all of these conditions to at least some extent. However, the markets for most consumer goods also partially violate some of these conditions, so the question is not whether the conditions are fully met, but whether they are violated in public elementary and secondary education to a much greater extent than in most consumer markets, or to such an extent that the efficiency implications of the competitive model are irrelevant to elementary and secondary education.

There are barriers to adequately informing parents and pupils about the quality of schools from which they might choose.[79] Schooling is a relatively long term service, with imperfectly defined goals. Education is also interactive, with its effects dependent on actions taken by the student and his or her family, as well as the school and its staff. Even if a high degree of education and comprehension on the part of consumers can be assumed, there is much debate over the appropriate ways to specify and measure the effects of schools. For example: Should standardized test scores be used? If so, which ones? Should the test scores be adjusted to account for such pupil characteristics as race, sex, English language proficiency, or family income? If so, how? The list of such questions could be greatly extended. The ultimate conclusion is that the quality of schools cannot be simply or clearly defined. As a result, individuals facing choices among schools may use simplified proxy measures of "quality"--perhaps a "reputation" for quality that derives primarily from characteristics of the pupil intake, not schooling effects, or a successful sports program--with potentially undesirable results.

In localities that are not in densely populated areas, families will not generally find there to be "many" alternative schools available to them within a reasonable travelling distance. In many rural areas, the local public school is in a "natural monopoly" position, because it is the only nearby school of its type. When there are few providers of a good or service, there is little incentive for them to compete with each other.

Unlike some consumer products, schooling is not "purchased" frequently, and the selection of a school can have long term effects. Even if it can be quickly determined that one has made the "wrong" choice of a school, it is generally impossible to change that selection until at least the following school year, since even the broadest choice programs must provide for a minimal degree of stability in enrollments. More problematic is the possibility that it may be several years before one can determine that a school choice was not in a pupil's best interests, and at that point it is too late to make appropriate adjustments. As one analyst has recently stated, "[B]ecause of ignorance of its long run consequences, choosing a school may be more like choosing a spouse or choosing to have a child than like choosing a loaf of bread."[80] "Bad"

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[79]See also the earlier discussion of information issues and school choice in this report.

[80]Bredo, Eric. In *The Politics of Excellence and Choice in Education*, p.70.

educational decisions may be made now, but the scope for making them would be expanded under school choice programs.

Elementary and secondary education is a "public good"--i.e., the consumption, or lack of consumption, of it has significant external effects on people other than the consumer. If a child is poorly educated, the rest of society is affected by his or her reduced income, and therefore reduced tax payments, greater likelihood of unemployment, welfare receipt, and other behaviors that create costs, or loss of income, to the nation. Therefore, the quality of education received by each child is of importance to all members of society, not just the pupil and his or her parents. However, if proponents of school choice are correct in their hypothesis that it will raise the average level of school quality, then the public welfare might be increased, not diminished, by the increased exercise of individual choice. Further, the public interest in the nature and quality of education could be protected by certain core curriculum and examination requirements, even within a broad choice system.

Finally, inapplicability of the competitive model might not be a "fatal" flaw in support for greater school choice. It is possible that "schools of choice" produce better average educational performance due to characteristics attributed to them by their supporters that have nothing to do with competition--for example, as a result of increased teacher/administrator autonomy, or a stronger sense of affiliation and unity of purpose among educators, pupils, and parents associated with a school. These issues are discussed elsewhere in this report, in the sections on "incentives for teachers and administrators" and "effects on parental involvement in, and support of, the public schools".

CONCLUSION

The preceding analysis has assessed some of the most important issues that choice programs and proposals raise. This concluding part presents a brief synthesis of the overall findings, suggesting the conditions under which a choice program is likely to meet some measures of success. Finally, selected alternatives to choice are described. These are initiatives that might achieve many of the objectives being advanced by choice advocates.

SYNTHESIS OF FINDINGS

There is no consensus model of choice, no prototypical choice program. Public school choice programs are complex, consisting of a diverse array of different features and objectives. Choice programs include alternative schools, desegregation-oriented magnet schools, academically focused magnet schools, controlled choice plans, and State level transfer options.

As a result, one **cannot** argue that "choice" takes any particular guise and leads invariably to any particular outcome. Although different kinds of choice efforts may have different results, the available research precludes any definitive statement on outcomes **even** for particular kinds of choice programs. Although proponents argue that choice sets in motion changes that will benefit children, there is no conclusive evidence to that effect.

One cannot argue that "choice" takes any particular guise and leads invariably to any particular outcome.

Nevertheless, the preceding analysis suggests that the outcomes of any choice plan will depend, in part, upon the local environment within which it is implemented, as well as the specific features of the plan. Choice programs are likely to affected by the constraints of that local environment, including the level of educational and political commitment to the effort, and the adequacy of local resources to meet any additional costs.

If success of a choice plan were to be measured by academic improvement of **all** children; an absence of racial, economic, or academic segregation; and increased and productive parental involvement, there do appear to be some features conducive to greater chances of success. To achieve these objectives, a choice plan is likely to require an efficient and effective information system that ensures that all parents are informed of their role in the program and given adequate information to exercise their options. The plan is also more likely to be successful if it carefully monitors the intended **and** unintended effects of the program, particularly with regard to its impact on racial and ethnic segregation. Other elements that may be important include directing resources to schools that appear to be failing, or taking other steps to ensure that children in those schools receive a sound education; and giving serious consideration to providing individual school personnel with the flexibility to

control facets of their programs in order to respond to the specific needs of their student population.

Arguably the conditions for success described above have little to do with choice and a great deal more to do with the commitment of school systems to improving the education of their students. Absent that commitment, choice is likely to fail to achieve its goals. With that commitment, it is premature to conclude that choice is necessary to improve schools. The conclusive evidence on choice is simply not yet in.

Finally, the preceding analysis shows that the Federal Government has not taken a leading role in promoting or supporting school choice. It has previously funded some choice experiments; and it currently provides assistance to schools and programs offering public school choice in desegregating school districts through the Magnet Schools Assistance program. A newly funded program (the Fund for the Improvement and Reform of Schools and Teaching) and an as yet unfunded program (Alternative Curriculum Schools) offer other prospective avenues for Federal aid to choice efforts. Choice may raise some significant administrative difficulties for other major Federal programs for elementary and secondary education, principally the Chapter 1 compensatory education program.

SELECTED ALTERNATIVES TO CHOICE

We conclude this report with a brief discussion of *selected* alternatives to public school choice that might achieve similar goals. These alternatives are only *examples* and are limited to *specific and distinctive* strategies for school improvement; they do not represent the full range of possibilities or include more generalized strategies such as improving the services of all schools. They are organized in two categories, based on the two major goals of choice: (1) improvement of pupil achievement through enhanced accountability; and (2) alternative means to increase parental involvement. It should be noted that as with choice, the costs--and at least in the case of increased accountability, the effectiveness--of these alternatives have not been conclusively determined.

Accountability

Enhanced accountability is one possible alternative to choice as a means toward increasing pupil achievement. It is noteworthy that in the following discussion, as well as in State and Federal legislation outlined below, "achievement" encompasses much more than pupil scores on standardized tests. Depending on the specific program and State/local decisions, the concept of achievement may also include graduation rates, pupil grades, attendance rates, disciplinary actions, or other measures of school effects.

Increased accountability could be based upon such actions as:

- increasing the quality and availability of school-level pupil outcome data (persistence or dropout rates, achievement test scores, rates of entry into postsecondary education, or other measures);
- tying principal and/or teacher pay or other employment benefits more closely to pupil achievement measures;
- providing additional funds, resources, or flexibility to schools with high levels of pupil achievement, taking into account the characteristics of the pupils enrolled in the schools; or
- pinpointing schools with low levels of pupil achievement, requiring the development of improvement plans for the schools, and providing to them additional resources and technical assistance.

All of these approaches involve making available high quality information on school effects, then using that information to reward schools that meet certain outcome goals and their staff, or to punish or improve schools and staff that do not meet these goals.

There are examples of such accountability measures in certain Federal and State education statutes. At the Federal level, several provisions of the 1988 amendments to the ESEA title I, chapter 1 program, for the education of disadvantaged children, are intended to enhance the accountability of

school, LEA, and SEA staff for program effects.[81] Under this legislation, which is to be initially implemented in school year 1989-90, LEAs are to review each school's chapter 1 program annually, determining which school programs do not increase the aggregate achievement of participating pupils. Program improvement plans are to be developed and implemented for schools so identified. These plans are initially to be developed at the LEA level, but SEAs must become involved if LEA intervention is unsuccessful. The 1988 amendments to chapter 1 also authorize LEAs to utilize certain performance incentives in chapter 1 programs, such as additional grants to schools with especially successful programs (with the definition of "success" left primarily to State and local educational agencies). States and localities might also adopt similar approaches--annually reviewing the pupil outcomes for each school, developing and implementing improvement plans where necessary, providing incentive grants to "successful" schools--to identify and help improve the general operations of elementary and secondary schools that are not effectively educating their pupils. Such methods might also be used to assure a minimum level of school quality within a system of school choice.

There are currently a number of State programs intended to identify the achievement effects of individual schools or LEAs--taking into account the income, race, language, and other educationally relevant characteristics of the pupils they enroll--and use this information as a basis for rewards, punishment, and/or technical assistance. As noted earlier, these State programs employ multiple measures of achievement, not just pupil test scores. California requires the publication of aggregate pupil achievement measures for each public elementary and secondary school in the State. Five States[82] have limited programs to financially reward especially successful schools; President Bush has recommended the establishment of a similar "merit schools" program at the Federal level. Several States and LEAs have adopted "merit pay" plans for teachers, under which teachers determined to be most effective receive additional income. "Effective schools" programs, described earlier in this report and found in several LEAs, emphasize such accountability measures as frequent monitoring of pupil performance. A few States--most notably New Jersey--have adopted "educational bankruptcy" laws, under which the administration of unsuccessful LEAs is taken over by the SEA. Analogous approaches could be taken at the level of individual schools.

Although examples of the types of accountability measures described above may be found in many States or LEAs, few--if any--employ all of them, or apply them intensively and comprehensively. State and local educational agencies desiring to improve school system performance could employ a variety of these accountability techniques as an alternative--or equally as a

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[81]U.S. Library of Congress. Congressional Research Services. *Education for Disadvantaged Children: Major Themes in the 1988 Reauthorization of Chapter 1.* CRS Report for Congress No. 89-7 EPW, by Wayne Riddle. Washington, Jan. 2. 1989. p. 9-13.

[82]Arizona, California, Florida, Indiana, and South Carolina

complement--to school choice programs. As with the parental involvement alternative discussed below, school choice advocates might argue that reliance solely on accountability measures such as those described above to improve schools is a "regulatory" approach that will be less effective and efficient than reliance on the "market" mechanism of choice. Again as with parental involvement, those concerned about the risks and costs of school choice techniques might prefer enhanced accountability measures as steps to improve the schools that involve less extensive changes, and less likely to generate unintended consequences.

Parental Involvement

While a comprehensive provision for school choice *might* be an effective method to increase parental interest and involvement in their children's education, it is not the only possible means of accomplishing this goal. There are many ways in which LEAs could attempt to increase parental involvement without adopting choice mechanisms.

Several examples of parental involvement mechanisms may be found in the 1988 amendments to the Federal chapter 1 program for education of the disadvantaged. The intent of these amendments was to stimulate greater parental involvement in the education of disadvantaged children, but without mandating the specific form of these activities. Thus, the legislation lists several alternative parental involvement techniques, including: parent training programs; hiring of parent liaisons; use of parents as tutors or classroom aides; home-based education activities; solicitation of parent suggestions on school operations; or parental advisory councils.[83] Related models of parental involvement activity include the chapter 1 Even Start program, under which grants are made to programs of joint education of disadvantaged parents and their young children[84], and the Family-School Partnership program authorized in 1988 as part of the Fund for the Improvement and Reform of Schools and Teaching, both of which received initial appropriations in FY 1989.[85]

Another Federal model for enhanced parental involvement in education is the State grant program of the Education of the Handicapped Act--the Education for All Handicapped Children Act (P.L. 94-142). Under this legislation, an individualized educational plan (IEP), including a statement of the child's educational needs and the services to be provided to meet them, must be developed on behalf of each handicapped pupil in a participating State. The substance of the IEP must generally be agreed to by the LEA and the child's parents, and LEAs receive funds only on the basis of parentally

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[83]Sec. 1016, chapter 1, title I, Elementary and Secondary Education Act.

[84]ESEA title I, chapter 1, part B.

[85]Title III, part B, subpart 2 of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (P.L. 100-297).

approved IEPs. Therefore, parents have the potential to significantly influence the IEP's contents.

Any of these or similar parental involvement techniques could be adopted as a substitute, or complement, to school choice plans. Proponents of choice plans might argue that these mechanisms will be less effective than choice in stimulating parental interest and involvement, that they often provide less authority to parents compared to the power to choose their child's school, and that they generally rely on a "regulatory"--rather than a "market"--approach to providing incentives to improve schools. In favor of such parental involvement techniques it could be argued that they generally require less thorough, and unpredictable, restructuring of the school systems than do school choice programs.